

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Healthcare Connect Fund)	WC Docket No. 02-60
FCC Forms 460, 461, 462 and 463)	

COMMENTS OF SPRINT NEXTEL CORPORATION

Sprint Nextel Corporation (“Sprint”), pursuant to the Public Notice released on April 1, 2013 (DA 13-590), hereby respectfully submits its comments in the above-captioned proceeding regarding Form 463, the Rural Health Care Universal Service Healthcare Connect Fund (HCF) Invoice and Request for Disbursement Form.

The draft forms 460, 461 and 462 are to be prepared and submitted by HCF applicants, and Sprint, a potential service provider, thus does not comment on their content or format. Form 463, however, is to be jointly filled out and submitted by the applicant and the service provider. As discussed briefly below, Sprint takes exception to Block 6, Line 12 of Form 463, the Vendor Certifications and Signatures section, and Block 5, Line 10, Supporting Documentation. Line 12 imposes a new and unwarranted obligation on the service provider, and Line 10 is unnecessary and unclear.

Line 12 of Form 463 requires the vendor representative to certify that the vendor “has credited health care provider(s) and FRN/FRN IDs listed on the USAC invoice with the amount shown under Column P (USF support amount to be Paid).” However, the HCF rules do not require or even contemplate credits on an applicant’s invoice, and the Line 12 certification should accordingly be stricken.

In the *Healthcare Connect Fund Order*, the Commission stated that the health care provider (“HCP”) must “certify to USAC that it has paid its contribution to the service provider before the invoice can be sent to USAC and the service provider can be paid,” and that “before the invoice is sent to USAC, both the HCP and service provider must certify that they have reviewed the document and that it is accurate.”¹ Nothing in the order requires a service provider to credit the HCP for the amount of the expected USF support. Instead, the unpaid portion of the invoice (the expected USF support) should remain on the account as an unpaid balance due, pending receipt of the support from USAC.² This is an administratively cleaner and simpler approach to billing for services provided. When the service provider receives the disbursement from USAC, it (the service provider) would simply apply the amount received to the customer’s account. In contrast, the procedure suggested by Form 463 would require the service provider to apply a credit, and subsequently remove the credit and apply the USAC payment. Use of a credit mechanism also obscures the actual amount due, and may raise red flags to financial auditors who question the size (65% of the amount due for the supported services) and frequency (in some cases, monthly) of the credits issued. Moreover, a credit mechanism places the burden of obtaining the USF disbursement on the service provider since, according to accounts payable records, the customer (the HCP applicant) has a (apparent) zero balance due.

The Commission also should eliminate or, at a minimum, revise Block 5, Line 10 of Form 463. Line 10 specifies that “[b]y providing copies of the bills and/or support

¹ *Rural Health Care Support Mechanism, Report and Order* released December 21, 2012 (FCC 12-150), para. 305. See also Section 54.645 of the Rules.

² Of course, the simplest mechanism would be for the applicant to pay the invoice in full, then seek reimbursement directly from USAC.

documentation, the applicant and vendor will ensure such documentation is available for any future audit.” As an initial matter, Line 10 is unnecessary. Section 54.648 of the Rules (which requires participants to maintain records to document compliance with program rules and orders for at least 5 years) applies outright to both applicants and vendors. Line 10 provides no incremental protection to ensure compliance with document retention rules. Moreover, if the applicant or vendor has attached any supporting documentation as part of the Form 463, then USAC should already have such documentation and there presumably would be no reason for a program auditor to again request the same information.

Line 10 also seems to bind both the applicant and the vendor to providing any supporting documentation previously provided, regardless of which party originally filed such documentation. It is conceivable that information provided by the applicant might not be in the possession of the vendor, and vice versa. If the Commission retains this section, it should, at most, place responsibility for document production on whichever party originally filed the documentation. Thus, should Line 10 be retained as part of Form 463, it should be revised to read that “by providing copies of the bills and/or support documentation, the party supplying this documentation will ensure that such documentation is available for any future audit.”

Finally, Sprint recommends that USAC hold a training workshop (virtual or in-person) with service providers when the HCF forms have been finalized to review filing requirements and to answer procedural questions. This will help to ensure a smooth paperwork flow and successful launch of the Healthcare Connect Fund.

Respectfully submitted,

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